

## Message Text

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21

ORIGIN XMB-04

INFO OCT-01 NEA-10 ISO-00 EB-07 SSO-00 COME-00 TRSE-00

OMB-01 CIEP-02 USIE-00 CIAE-00 INR-07 NSAE-00 INRE-00

/032 R

DRAFTED BY:XMB:THOMAS E. MORAN

APPROVED BY:EB:IFD:ODF:JOYCE B. ROBINS

XMB:CLAYTON NORRIS

NEA:AFN:DONALD JAMISON

----- 109639

O 030251Z AUG 76

FM SECSTATE WASHDC

TO AMEMBASSY TUNIS IMMEDIATE

UNCLAS STATE 191501

E.O. 11652 N/A

TAGS: EFIN, BEXP, TS

SUBJECT: SALE OF LOCOMOTIVES TO SNCFT

REF: TUNIS 5263

1. WE HAVE TODAY SENT FOLLOWING TELEX TO SOUSSI. QUOTE. AS  
YOU  
KNOW, THE TERMS AND CONDITIONS OF OUR PRELIMINARY COMMITMENT  
NO. 75-0-3381A ISSUED TO GENERAL ELECTRIC CONTEMPLATED THE  
SALE OF 29 LOCOMOTIVES VALUED AT DOLS 17.0 MILLION. WE  
HAVE CONSIDERED QUESTIONS YOU RAISED DURING RECENT MEETINGS HERE  
AND MUST INFORM YOU THAT WE DO NOT FEEL IT WOULD BE POSSIBLE  
TO MAINTAIN THESE SAME FINANCING TERMS AND CONDITIONS NOW IN  
VIEW OF SNCFT DECISION TO LIMIT PURCHASE FROM GENERAL  
ELECTRIC TO 9 SHUTING LOCOMOTIVES VALUED AT DOLS 3.0  
MILLION. YOU WILL SURELY APPRECIATE THAT THIS IS A VERY SUB-  
STANTIAL REDUCTION IN THE AMOUNT OF SNCFT PURCHASES FROM  
THE LEVEL ON WHICH WE BASED THE TERMS AND CONDITIONS OF THE  
FINANCING OFFERED IN THE PRELIMINARY COMMITMENT. WE WOULD  
NOT BE IN POSITION TO INDICATE DEFINITELY WHAT  
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TERMS AND CONDITIONS WE COULD OFFER UNTIL LOAN

APPLICATION IS RECEIVED FROM YOU AND IS FORMALLY PRESENT TO OUR BOARD OF DIRECTORS, BUT DO NOT BELIEVE WE COULD CONSIDER REPAYMENT TERM OF MORE THAN FIVE OR SIX YEARS BEGINNING SIX MONTHS AFTER DELIVERY. CONSIDERING THAT OUR PRELIMINARY COMMITMENT EXPIRED APRIL 15, WE WOULD ENCOURAGE YOU TO SUBMIT APPLICATION AS SOON AS POSSIBLE. UNQUOTE.

2. SOUSSI AND GE WILL NOT BE HAPPY WITH THIS, BUT WE CANNOT IGNORE SNCFT'S DECISION TO PURCHASE FROM U.S. SUPPLIER SUBSTANTIALLY LESS THAN THE AMOUNT ON WHICH WE BASED FINANCING TERMS AND CONDITIONS OFFERED IN PRELIMINARY COMMITMENT.

3. FINAL DECISION ON EXIM FINANCING CANNOT BE MADE UNTIL CASE IS CONSIDERED BY EXIM BOARD AND IT WOULD BE ADVISABLE FOR SNCFT TO DELAY NO FURTHER IN SUBMITTING APPLICATION TO EXIM. AS EMBASSY LIKELY AWARE, THE PRELIMINARY COMMITMENT WAS ORIGINALLY ISSUED TO GE ON THIS CASE WELL OVER ONE YEAR AGO. KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SALES, ROLLING STOCK  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 03 AUG 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Number:** 1976STATE191501  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** XMB:THOMAS E. MORAN  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Office:** ORIGIN XMB  
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**Original Handling Restrictions:** n/a  
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**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
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**Review Authority:** SmithRJ  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SALE OF LOCOMOTIVES TO SNCFT  
**TAGS:** EFIN, BEXP, TS  
**To:** TUNIS  
**Type:** TE  
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